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August 3, 2015

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BY HAND DELIVERY

Jeff S. Jordan
Federal Election Commission
General Counsel's Office
999 E Street NW
Washington, DC 20463

Re: MUR 6932 Supplement

Dear Mr. Jordan:

We submit this letter as counsel on behalf of Secretary Hillary Rodham Clinton, her authorized campaign committee Hillary for America ("HFA"), and Jose H. Villarreal, in his official capacity as Treasurer (collectively, "Respondents") in response to the supplement to MUR 6932 filed with the Federal Election Commission (the "FEC" or "Commission") by Foundation for Accountability and Civic Trust (the "Supplemental Complaint").

The Supplemental Complaint claims that a legally permissible list swap agreement entered into by HFA somehow (a) constitutes improper coordination and/or an illegal contribution and (b) supports the allegations set forth by the Foundation for Accountability and Civic Trust ("Complainant") in its initial complaint filed against Secretary Clinton on April 1, 2015 (the "Original Complaint"). Neither claim has any merit. Accordingly, the Commission should dismiss the Original Complaint and the Supplemental Complaint, and close the file.

The sole allegation in the Supplemental Complaint is that HFA's acquisition of names that originally appeared on the Ready for Hillary email list via a swap agreement amounts to improper coordination and/or an illegal contribution. This is baseless. HFA acquired the names on the email list via a swap agreement; the names exchanged by HFA had an equal market value to the names received by HFA. The FEC has opined that such equal value swaps are non-events for campaign finance purposes – they are not reportable and are not in-kind contributions in either direction. *See, e.g.* FEC Adv. Op. 2002-14 (Libertarian National Committee) ("[w]hen such exchanges of equal value occur, which are non-reportable events under the Act, no 'contribution, donation, or transfer of funds or any other thing of value' takes place"). That is the case even when the entity exchanging names with the political committee is a prohibited source that cannot make a contribution to the committee. *Id.* *See also* FEC Adv. Ops. 1981-46 (Dellums), 1982-41 (Dellums). The Complainant also fails to explain how such swaps amount to impermissible "coordination," and cannot even manage to identify a single communication or expenditure that it believes was coordinated.

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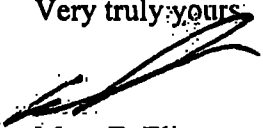
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Complainant also suggests that the list swap agreement bolsters the allegations made in the Original Complaint. The Original Complaint made two allegations. First, that Secretary Clinton should have filed her Statement of Candidacy earlier than April 13, 2015; and, second, that Secretary Clinton and/or the other Respondents accepted impermissible contributions. The Supplemental Complaint adduces no additional evidence in support of the first allegation. And, as we explain above, the list swap agreement is *not* a "contribution" under federal law – which undercuts the second allegation. For these reasons, and the reasons set forth in the response to the Original Complaint, the Original Complaint should be dismissed.

Finally, we wish to point out that Complainant relies extensively on quotations from anonymous sources in support of its baseless allegations. The FEC has warned that such information cannot serve as the basis to proceed with a complaint. *See* Matter Under Review 4960, Statement of Reasoning of Commissioners Mason, Sandstrom, Smith and Thomas (concluding that mere allegations in a newspaper – specifically, an unsubstantiated quotation – are insufficient evidence). “[A]dherence to the Commission’s regulations regarding sources of information contained in complaints cautions against accepting as true the statements of anonymous sources (especially since the Commission’s regulations expressly prohibit consideration of anonymous complaints).” Matter Under Review 5977 and 6005, Statement of Reasons of Commissioners Petersen, Hunter, and McGahn. Ignoring the FEC’s standards yet again, the Supplemental Complaint rests on a statement made on background by a supposed “Democrat with knowledge of the list” to a political reporter. This alone is sufficient grounds for the Commission to dismiss the Supplemental Complaint.

For the foregoing reasons, we respectfully request that the Commission find no reason to believe that Respondents violated the Act and dismiss the matter immediately.

Very truly yours,



Marc E. Elias
Jonathan S. Berkon
Tyler J. Hagenbuch
Counsel to Respondents